

**OFFICE OF ATTORNEY GENERAL****INSURANCE FRAUD SECTION**
TOM CORBETT • ATTORNEY GENERAL
NEWSLETTER

Insurance Agent Accused in Mercer County of Stealing Over \$285,000 from Clients' Policies

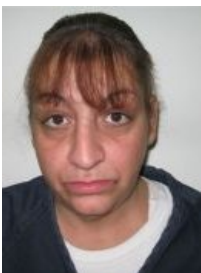


Nicholas S. Vukich was arrested on August 25, 2009, in Mercer County and charged with four counts of Theft by Deception (F3) and eight counts of Forgery (F3).

According to the Criminal Complaint, Vukich was an insurance agent licensed in the state of Ohio. Working with a Pennsylvania agent, Vukich helped to orchestrate the sale of four life insurance policies for death benefits totaling \$2 million to Douglas McAdams and Daniel Singer. The policies were issued by two insurance companies, the Jefferson National Life Insurance Company and the Security Life of Denver Insurance Company. McAdams and Singer were co-owners of a trucking company which was the named beneficiary of the policies.

The Complaint stated that between 1996 and 2006, Vukich was responsible for the management of these policies. Vukich allegedly changed the mailing address for the policies to his own business address and then submitted multiple forged requests and applications for loans against the policies to the insurers. Between 1996 and 2000, Vukich allegedly converted the loan proceeds to his own use in approximately thirty-seven different instances and obtained \$285,870.90 through these loans. Vukich allegedly forwarded approximately thirty-five forged financial statements to McAdams and Singer to conceal the theft.


False Claim Lands Berks County Woman in Jail





On August 11, 2009, Donna Carifi pled guilty to one count of Insurance Fraud (F3) in Berks County and was sentenced to serve 48 days to 23 months incarceration and ordered to pay a fine of \$100 and all court costs.

Donna Carifi had obtained a homeowners' policy with the Allstate Insurance Company. Carifi then filed a fraudulent claim with Allstate for a number of items she claimed were stolen during a burglary of her home. Carifi claimed that a laptop computer and ten pieces of jewelry purchased from Jewelry TV had been stolen. However, an investigation revealed that Carifi had already returned nine of the ten pieces of jewelry prior to submitting her claim and the tenth piece of jewelry was returned to Jewelry TV after she submitted her claim to Allstate. The investigation further revealed that the laptop computer had actually been given to Carifi's daughter as a gift. Carifi fraudulently added the ten pieces of jewelry and the laptop computer to the document she submitted to Allstate in an attempt to obtain additional money.



- On August 4, 2009, Brian Johnson was arrested in Montgomery County. According to the Criminal Complaint, Johnson, a licensed insurance agent, is the sole owner/officer of the Valley Forge Insurance Group located in Norristown.  Between 2006 and 2008, Johnson collected premiums in excess of \$50,000 from fourteen clients for payment of long-term care insurance. The Complaint further stated that Johnson did not forward the money to the intended insurance companies, the United Security Assurance Company and the Penn Treaty Network America Insurance Company. This resulted in the individuals, who had paid for insurance, never having policies issued or, having previously issued policies cancelled by the insurance companies for failure to pay the premiums. It is alleged that instead of using the money as payment for long-term care insurance, Johnson deposited the money in the account of Valley Forge Insurance Group. Brian Johnson has been charged with one count of Insurance Fraud (F3), fourteen counts each of Theft by Failure to Make Required Disposition of Funds (F3 & M1), Theft by Deception (F3 & M1) and Misapplication of Entrusted Property (M2).
- On August 31, 2009, Diane Stanesic was arrested in Allegheny County. According to the Criminal Complaint, Stanesic submitted several fraudulent cancer claims for her husband and herself under a cancer policy she had with AFLAC. The cancer claims were not questioned as Stanesic used the appropriate terminology to make the document appear to be legitimate. The Complaint further stated that Stanesic's husband had no knowledge that she submitted cancer claims to AFLAC. It is alleged that Stanesic and her husband were never diagnosed or treated by a physician for cancer and that Stanesic submitted the claims to fund her gambling debts. Diane Stanesic has been charged with one count of Insurance Fraud (F3), one count of Theft by Deception

(F3), one count of Forgery (F3) and one count of Tampering with Records or Identification (M1).

- On August 11, 2009, Phillip Harris was arrested in Montgomery County. According to the Criminal Complaint, Harris claimed total disability from injuries suffered in a fall and received benefits from both the AFLAC Insurance Company and the American Fidelity Insurance Company from December 30, 2007 through October 10, 2008.  Harris claimed his injuries prevented him from working as a service technician at a Volvo dealership. The Complaint further stated that from April 7, 2008 through July 18, 2008, Harris worked as a service technician at a Mercedes dealership. Shortly thereafter, Harris opened his own repair shop, specializing in the repair of Volvos and Mercedes Benz. Additionally, on several occasions after April 7, 2008, Harris allegedly submitted continuation of benefits forms to both AFLAC and American Fidelity indicating that he was still disabled and/or had not been employed since the date of injury. It is alleged that from April 7, 2008 through October 8, 2008, American Fidelity paid out \$21,466.67 and AFLAC paid out \$11,716.59, for a total of \$33,183.26 in benefits to which he was not entitled. Phillip Harris has been charged with two counts of Insurance Fraud (F3) and two counts of Theft by Deception (F3).
- On August 21, 2009, William Maguire was arrested in Bucks County. According to the Criminal Complaint, Maguire, a licensed insurance producer, collected over \$15,000 from eight clients, to pay their insurance premiums to an insurance company or broker.  Maguire allegedly deposited the payments into his own account and did not make the required payments. The required payments for eight businesses were supposed to be made to the Century Surety Insurance, St. Paul

Surplus Lines Insurance, Nautilus Insurance and Tri-State General Insurance Companies. William Maguire has been charged with eight counts of Insurance Fraud (F3), eight counts of Theft by Failure to Make Required Disposition (1-F3 & 7-M1) and eight counts of Misapplication of Entrusted Funds (M2).

- On August 28, 2009, Sidy Samassa was arrested in Montgomery County. According to the Criminal Complaint, Samassa was part of the All-Care investigation. This proactive investigation revealed a four-tier ring. The top tier included Dr.



Walinsky and Eileen Means, who orchestrated the insurance scam together. The next level involved therapists who submitted insurance bills for services never provided. The third level involved runners who were paid referral fees for bringing individuals or "patients" for treatment at All-Care for injuries that they sustained in staged accidents. The last level involved the individuals or patients who were paid to come in for treatment as the result of the staged accidents. It is alleged that Samassa was a patient in the fourth level of the scam. Charges were filed in 2004 and a warrant was issued for his arrest. Sidy Samassa was finally located and arrested. He has been charged with two counts of Corrupt Organizations (F1), three counts of Insurance Fraud (F3) and one count of Criminal Conspiracy/Theft by Deception (F3).

- On August 26, 2009, Donna Sweeney was arrested in Delaware County. According to the Criminal Complaint, Sweeney was working at Alliance Imaging, Inc. when she was injured in August 2007. Alliance Imaging maintained workers' compensation insurance with the Travelers Insurance Company. Sweeney filed a workers' compensation claim and subsequently began collecting workers' compensation benefits. Sweeney submitted forms to Travelers' on numerous occasions in both 2007 and 2008 representing that she was not employed while receiving workers' compensation benefits. It is alleged that Sweeney was working at a beauty parlor

while receiving workers' compensation benefits and that she lied on the forms to the insurance company. Donna Sweeney has been charged with three counts of Workers' Compensation Insurance Fraud (F3) and one count of Theft by Deception (F3).

- On August 25 and 31, 2009, Kenneth Thompson and Gregory Charlton were arrested in Delaware County. According to the Criminal Complaint, Charlton's girlfriend, Shelay McBride, filed an insurance claim alleging that she was injured as a passenger in a two vehicle auto accident. Charlton and Thompson were passengers in the vehicle at the time of the accident. It is alleged that McBride was not in the vehicle. The Complaint further stated that Charlton and Thompson misrepresented to the Lincoln General Insurance Company and the Hartford Insurance Company that McBride was in the vehicle at the time of the collision. Kenneth Thompson and Gregory Charlton have been charged with four counts of Insurance Fraud (F3) and two counts of Conspiracy/Theft by Deception (F3). A warrant has been issued for McBride's arrest.

- On August 14, 2009, Charles Thierry was arrested in Bucks County. According to the Criminal Complaint, Thierry was in an automobile accident on September 18, 2007, with his Pontiac Grand Am. Thierry did not have insurance on that vehicle. On February 22, 2008, Thierry added the Grand Am to his insurance policy through the Unitrin Auto Insurance Company. On May 6, 2008, Thierry contacted Unitrin and filed an insurance claim alleging that the vehicle was involved in an accident on May 3, 2008. The Complaint further stated that the Grand Am was inoperable following the September accident and remained at the auto repair shop lot until it was towed to the Thierry residence due to lack of insurance. It is alleged that the car remained at the residence until the claim was made in May. Charles Thierry has been charged with one count of Insurance Fraud (F3) and one count of Theft by Deception



(F3).

- On August 25, 2009, Elizabeth Dally was arrested in Allegheny County. According to the Criminal Complaint, Dally's insurance policy with the Nationwide Insurance Company lapsed in August 2007. Dally allegedly created insurance cards listing Nationwide as the insurance carrier for her automobile coverage and then called Nationwide to confirm that the policy numbers she listed on the cards were valid. The Complaint further stated that in January 2009, Dally's son was involved in a motor vehicle accident and provided the fraudulent cards created by Dally as proof of insurance to the other drivers. The other drivers subsequently filed a claim with Nationwide which were denied after it was revealed that the policy information provided belonged to a non-associated party. It is alleged that Dally created the insurance cards and that the policy had lapsed at the time of the accident. Her son has no knowledge that the cards were invalid. Elizabeth Dally has been charged with one count of Insurance Fraud (F3), one count of Criminal Attempt/Theft by Deception (F3) and one count of Tampering with Records or Identification (M1).
- On August 17, 2009, Gina Wright was arrested in Allegheny County. According to the Criminal Complaint, Wright obtained dental services from Drs. Myles and Dattilo which were billed to and paid by the United Concordia Insurance Company. Shortly thereafter, Wright also had a tooth surgically extracted at the Allegheny General Hospital which was paid through the Gateway Insurance Company. It is alleged that Wright assumed the identity of her roommate through her dental and medical insurance identification cards to obtain the dental/medical services. Gina Wright has been charged with one count of Medicaid Fraud (M1), one count of Forgery (M1), one count of Identity Theft (M1) and one count of Theft by Deception (M1).
- On August 31, 2009, Ann and Walter Williams were arrested in Lackawanna County.



According to the Criminal Complaint, Ann Williams obtained an automobile insurance policy from the Progressive Insurance Company for her 1988 Chevy truck. The policy specifically named Walter Williams, her husband, as an excluded driver under the policy as a result of a DUI conviction. The Complaint further stated that in February of 2009, the truck was involved in a two vehicle accident in the parking lot of a Turkey Hill convenience store in Wilkes-Barre. Ann Williams provided a statement to Progressive and represented that she was the driver of the vehicle at the time of the accident. The Complaint also stated that the driver of the second vehicle relayed that Walter Williams had instructed her in the parking lot that if she wanted to avoid being tied up in court, she should tell Progressive that Ann was driving and not him. The driver refused to do so and told Progressive that Walter was driving. Ann and Walter Williams have been charged with two counts of Insurance Fraud (F3) and one count of Conspiracy (M1).

- On August 20, 2009, Dana Detwiler was arrested in Blair County. According to the Criminal Complaint, Detwiler submitted an application for first party benefits to the Donegal Insurance Company claiming that she was injured while driving her Ford Escort. It is alleged that Detwiler's Escort was involved in an accident while being driven by her boyfriend and that Detwiler was not in the car at the time of the accident. Dana Detwiler has been charged with one count of Insurance Fraud (F3) and one count of Theft by Deception (M1).
- On August 5, 2009, William McCandless and McCandless Insurance Real Estate, Inc. were arrested in Fayette County. According to the Criminal Complaint, McCandless, is the incorporator and president of defendant, McCandless Insurance Real Estate, Inc. (MIRE), a small Fayette County insurance agency. Since August 2006, MIRE paid wages to a handful of employees, but allegedly failed to provide workers' compensation insurance for those employees. William McCandless and



McCandless Insurance Real Estate, Inc. have been charged with 1054 counts of Failure to Insure (F3).



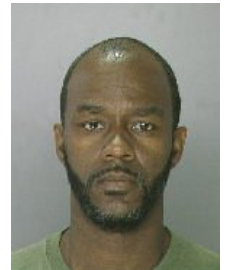
- Roberto Carrabbia and Mama's Family Inc. were found guilty of thirty-one counts of Failure to Carry Workers' Compensation Insurance (F3) and thirty-one counts of Failure to Carry Workers' Compensation Insurance (M3) in a trial before Judge David Cashman in Allegheny County. Mama's Family Inc was opened and incorporated as a pizza shop in April 2003, listing Carrabbia as the only corporate officer at the time of its incorporation. In June of 2003, an employee was injured at work and sought workers' compensation benefits. Our investigation revealed that Carrabbia failed to carry workers' compensation insurance on Mama's Family, Inc. and obtained coverage shortly after the employee was injured. The employee incurred a large amount of medical bills which have not been paid. On August 21, 2008, Carrabbia and Mama's Family, Inc. were sentenced to serve 2 years probation and ordered to pay restitution of \$31,676.56 and all court costs.

- Thomas Cusack pled guilty to two counts of Insurance Fraud (F3) and one count of Criminal Conspiracy/Theft by Deception (F3) and Mary Schofield pled guilty to one count of Insurance Fraud (M1) and one count of Criminal Conspiracy (M1) in Montgomery County. Cusack filed a fraudulent insurance claim with the Allstate Insurance Company stating that Schofield's property and various items in the property suffered water damage. In support of his claim, Cusack submitted numerous fraudulent receipts for items that were never damaged and for repairs that never occurred. Cusack and Shofield misrepresented under oath that Schofield was living in the dwelling at the time of the alleged damage. Allstate paid in excess of \$25,000 on the claim. On August 3, 2009, Thomas Cusack was sentenced to



serve 3 months to 5 years incarceration with the 3 months to be served on house arrest and followed with immediate parole. On August 6, 2009, Mary Schofield was sentenced to serve 2 years probation and ordered to perform 50 hours of community service. Cusack and Schofield were ordered to pay restitution of \$28,131 joint and several and all court costs.

- Jonathan Williams pled guilty to three counts of Insurance Fraud (F3) in Philadelphia County. Williams submitted a fraudulent personal injury claim to the Crum and Forster Insurance Company reporting that he was a passenger in a vehicle involved in a minor accident involving their insured's truck. Our investigation revealed that Williams was not in the car as he was actually in prison on the day of the accident. Jonathan Williams has been sentenced to serve 6 to 12 months incarceration followed by 6 years consecutive probation on each count with each count to run concurrently and to pay all court costs.
- Matthew Levin pled guilty to one count of Insurance Fraud (F3) in Montgomery County. Levin was a licensed insurance agent doing business as Laster, Samans & Levin, Inc. Levin failed to forward premium payments in excess of \$137,000 to Safety National, Berthalon-Rowland, McNeil & Company, Hartford Steam Boiler, Capp Inc., XL Insurance and AIG insurance companies which had been collected from approximately sixty-four insureds/clients. Levin and his business surrendered their licenses and entered into various agreements with the insurance companies to repay the monies due. Matthew Levin was sentenced to serve 5 years probation and ordered to pay restitution of \$137,199.34 and all court costs.
- Frank Ross pled guilty to one count of Insurance Fraud (F3) in Fayette County. Ross burned a car and reported it stolen to the Pennsylvania State Police for a portion of the insurance money the owner was to receive.



On August 26, 2009, Frank Ross was sentenced to serve 5 years probation and ordered to pay all court costs.

- Thomas Varish was found guilty of one count of Unsworn Falsification to Authorities (M2) and one count of Tampering with or Fabricating Physical Evidence (M2) in Adams County. Varish submitted inflated and/or fraudulent receipts to the Adams County District Attorney's Office and the Adams County Court personnel in support of a restitution claim and to the Erie Insurance Company in support of an insurance claim. Varish submitted a claim for \$10,247 which was paid by Erie when, in fact, the actual damage was approximately \$3,000 to \$4,000. On August 17, 2009, Thomas Varish was sentenced to serve 48 months restrictive intermediate punishment and ordered to perform 160 hours of community service, pay a fine of \$5,100 and all court costs.
- Annette Triolo-Woods pled guilty to one count of Theft by Deception (M1) in Allegheny County. Triolo-Woods filed two insurance claims arising out of the same incident wherein she claimed she was shopping and a detached refrigerator door fell and struck her. Our investigation revealed the door did fall but did not strike her. Triolo-Woods filed a disability claim with the American Heritage Life Insurance Company and also filed a personal injury claim with the Providence Washington Solutions. On August 31, 2009, Annette Triolo-Woods was sentenced to serve 3 years probation and ordered to pay restitution of \$11,100 and all court costs.
- Douglas Milbourne pled guilty to one count of Insurance Fraud (F3) in Delaware County. Milbourne reported his business was burglarized and submitted an inventory of loss to the Erie Insurance Company. Milbourne added several items to the list that were not initially reported stolen to the police; most notably, a computer and a safe. On August 3, 2009, Douglas Milbourne was sentenced to serve 3 years probation and ordered to pay all court costs.
- Richard Lane, Sr. pled guilty to one count of Insurance Fraud (F3) in Bradford County. Lane became disabled in 2006 and received

credit disability benefits under a policy with the CUNA Mutual Insurance Company. Lane altered a form signed by the doctor so that it appeared that he remained disabled in August 2008 and submitted the altered form to CUNA. As a result, CUNA paid Lane disability benefits to which he was not entitled. On August 17, 2009, Richard Lane was sentenced to serve 2 years probation and ordered to perform 40 hours of community service, pay a fine of \$500, restitution of \$2,221.13 and all court costs.

- Penny Cope pled guilty to one count of Insurance Fraud (M1) in Lehigh County. Cope was involved in an accident which was reported to the Progressive Insurance Company by the driver of the other vehicle. Cope fraudulently applied for insurance with Progressive via the internet for a 2003 Ford Explorer listing her ex-boyfriend as the insured and herself as an additional insured. Cope used her ex-boyfriend's credit card to purchase the insurance without his authorization. On August 10, 2009, Penny Cope was sentenced to serve 2 years probation and ordered to pay a fine of \$500 and all court costs.
- James Warner, Jr. pled guilty to one count of Theft by Deception (M1) in Blair County. Warner took his girlfriend to the Nason Hospital to be treated for a wrist injury sustained in a fall. Warner's girlfriend did not have medical insurance. Warner suggested she pose as his wife and he provided her with his wife's insurance information. The Highmark Insurance Company was billed and paid for the services. On August 17, 2009, James Warner, Jr. was sentenced to serve 1 year probation and ordered to perform 100 hours of community service, pay a fine of \$500, restitution of \$275.92 and all court costs.

(ARD) DISPOSITIONS

During the month of August, three additional defendants received Accelerated Rehabilitative Disposition (ARD). Defendants receiving ARD are typically sentenced to serve 2 years probation and ordered to perform 50 hours of community service, pay full restitution and all ARD and court costs.